

(g) Emergency legislation**(1) Designation in statute**

If a provision of direct spending or revenue legislation in a PAYGO Act is enacted as an emergency requirement that the Congress so designates in statute pursuant to this section, the amounts of new budget authority, outlays, and revenue in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purposes of this Act.

(2) Designation in the House of Representatives

If a PAYGO Act includes a provision expressly designated as an emergency for the purposes of this chapter, the Chair shall put the question of consideration with respect thereto.

(3) Point of order in the Senate**(A) In general**

When the Senate is considering a PAYGO Act, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(B) Supermajority waiver and appeals**(i) Waiver**

Subparagraph (A) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(ii) Appeals

Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(C) Definition of an emergency designation

For purposes of subparagraph (A), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this subsection.

(D) Form of the point of order

A point of order under subparagraph (A) may be raised by a Senator as provided in section 644(e) of this title.

(E) Conference reports

When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a PAYGO Act, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the

Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(4) Effect of designation on scoring

If a provision is designated as an emergency requirement under this Act, CBO or OMB, as applicable, shall not include the budgetary effects of such a provision in its estimate of the budgetary effects of that PAYGO legislation.

(Pub. L. 111–139, title I, § 4, Feb. 12, 2010, 124 Stat. 9.)

REFERENCES IN TEXT

The Statutory Pay-As-You-Go Act of 2010, referred to in subsec. (a)(1), is title I of Pub. L. 111–139, Feb. 12, 2010, 124 Stat. 8, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 931 of this title and Tables.

This Act, referred to in subsecs. (a)(2)(A)(i), (B)(i) and (g)(1), (4), is Pub. L. 111–139, Feb. 12, 2010, 124 Stat. 8, which enacted this chapter, amended sections 639, 900, 905, and 906 of this title and section 3101 of Title 31, Money and Finance, and enacted provisions set out as a note under section 712 of Title 31. For complete classification of this Act to the Code, see Tables.

This chapter, referred to in subsecs. (c)(1) and (g)(2), was in the original “this title”, meaning title I of Pub. L. 111–139, Feb. 12, 2010, 124 Stat. 8, which is classified principally to this chapter. For complete classification of title I to the Code, see Short Title note set out under section 931 of this title and Tables.

As amended by this title, referred to in subsec. (d)(3), means as amended by title I of Pub. L. 111–139.

CODIFICATION

Section is comprised of section 4 of Pub. L. 111–139. Subsec. (b) of section 4 of Pub. L. 111–139 amended section 639 of this title.

§ 934. Annual report and sequestration order**(a) Annual report**

Not later than 14 days (excluding weekends and holidays) after Congress adjourns to end a session, OMB shall make publicly available and cause to be printed in the Federal Register an annual PAYGO report. The report shall include an up-to-date document containing the PAYGO scorecards, a description of any current policy adjustments made under section 933(c) of this title, information about emergency legislation (if any) designated under section 933(g) of this title, information about any sequestration if required by subsection (b), and other data and explanations that enhance public understanding of this chapter and actions taken under it.

(b) Sequestration order

If the annual report issued at the end of a session of Congress under subsection (a) shows a debit on either PAYGO scorecard for the budget

year, OMB shall prepare and the President shall issue and include in that report a sequestration order that, upon issuance, shall reduce budgetary resources of direct spending programs by enough to offset that debit as prescribed in section 935 of this title. If there is a debit on both scorecards, the order shall fully offset the larger of the two debits. OMB shall transmit the order and the report to the House of Representatives and the Senate. If the President issues a sequestration order, the annual report shall contain, for each budget account to be sequestered, estimates of the baseline level of budgetary resources subject to sequestration, the amount of budgetary resources to be sequestered, and the outlay reductions that will occur in the budget year and the subsequent fiscal year because of that sequestration.

(Pub. L. 111–139, title I, § 5, Feb. 12, 2010, 124 Stat. 15.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title I of Pub. L. 111–139, Feb. 12, 2010, 124 Stat. 8, which is classified principally to this chapter. For complete classification of title I to the Code, see Short Title note set out under section 931 of this title and Tables.

§ 935. Calculating a sequestration

(a) Reducing nonexempt budgetary resources by a uniform percentage

(1) In general

OMB shall calculate the uniform percentage by which the budgetary resources of non-exempt direct spending programs are to be sequestered such that the outlay savings resulting from that sequestration, as calculated under subsection (b), shall offset the budget-year debit, if any, on the applicable PAYGO scorecard. If the uniform percentage calculated under the prior sentence exceeds 4 percent, the Medicare programs described in section 906(d) of this title shall be reduced by 4 percent and the uniform percentage by which the budgetary resources of all other non-exempt direct spending programs are to be sequestered shall be increased, as necessary, so that the sequestration of Medicare and of all other nonexempt direct spending programs together produce the required outlay savings.

(2) Programs and activities in unified budget only

Subject to the exemptions set forth in section 11,¹ OMB shall determine the uniform percentage required under paragraph (1) with respect to programs and activities contained in the unified budget only.

(b) Outlay savings

In determining the amount by which a sequestration offsets a budget-year debit, OMB shall count—

(1) the amount by which the sequestration in a crop year of crop support payments, pursuant to section 906(j) of this title, reduces outlays in the budget year and the subsequent fiscal year;

(2) the amount by which the sequestration of Medicare payments in the 12-month period following the sequestration order, pursuant to section 906(d) of this title, reduces outlays in the budget year and the subsequent fiscal year; and

(3) the amount by which the sequestration in the budget year of the budgetary resources of other nonexempt mandatory programs reduces outlays in the budget year and in the subsequent fiscal year.

(Pub. L. 111–139, title I, § 6, Feb. 12, 2010, 124 Stat. 16.)

REFERENCES IN TEXT

Section 11, referred to in subsec. (a)(2), means section 11 of Pub. L. 111–139, which amended section 905 of this title.

§ 936. Adjustment for current policies

(a) Purpose

The purpose of this section is to provide for adjustments of estimates of budgetary effects of PAYGO legislation for legislation affecting 4 areas of the budget—

(1) payments made under section 1395w–4 of title 42 (referred to in this section as “Payment for Physicians’ Services”);

(2) the Estate and Gift Tax under subtitle B of title 26;

(3) the AMT; and

(4) provisions of EGTRRA or JGTRRA that amended title 26 (or provisions in later statutes further amending the amendments made by EGTRRA or JGTRRA), other than—

(A) the provisions of those 2 Acts that were made permanent by the Pension Protection Act of 2006 (Public Law 109–280);

(B) amendments to the Estate and Gift Tax referred to in paragraph (2);

(C) the AMT referred to in paragraph (3); and

(D) the income tax rates on ordinary income that apply to individuals with adjusted gross incomes greater than \$200,000 for a single filer and \$250,000 for joint filers.

(b) Duration

This section shall remain in effect through December 31, 2011.

(c) Medicare payments to physicians

(1) Criteria

Legislation that includes provisions amending or superseding the system for updating payments under subsections (d) and (f) of section 1395w–4 of title 42 shall trigger the current policy adjustment required by this chapter.

(2) Adjustment

The amount of the maximum current policy adjustment shall be the difference between—

(A) estimated net outlays attributable to the payment rates and related parameters in accordance with subsections (d) and (f) of section 1395w–4 of title 42 (as scheduled on December 31, 2009, to be in effect); and

(B) what those net outlays would have been if—

(i) the nominal payment rates and related parameters in effect for 2009 had been in

¹ See References in Text note below.